GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Labour, Factories, Boilers and Insurance Medical Services Department – DPIIT - Government of India - Ease of Doing Business (EoDB) - The Factories Act, 1948 and the Andhra Pradesh Factories Rules, 1950 - Minimising the Compliance Burden – Amendments to the Andhra Pradesh Factories Rules, 1950 - Preliminary Notification - Issued.

LABOUR FACTORIES BOILERS & INSURANCE MEDICAL SERVICES (Lab-II) DEPARTMENT

G.O.MS.No. 10 **Dated: 13-08-2021.**

Read the following:

1. From the Special Chief Secretary, Industries & Commerce Department, D.O.Lr.No.INC02-21021/18/2021,Dt.20.07.2021.
2. From the Director of Factories, Andhra Pradesh, Vijayawada, Lr.No.LAE05-14023/ 12/2021-A SEC-DOF, Dt:05.08.2021.

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ORDER:

The Director of Factories in the letter Second read above has reported that in compliance to the Government of India directions to focus on identification of redundant laws and rules, regulatory impact assessment and use of technology under EoDB, the Department has proposed changes in 33 mandatory compliances prescribed under the Andhra Pradesh Factories Rules, 1950 which are being enforced by Factories Department, in order to reduce the compliance burden. Among these 33 compliances, 21 compliances are already being enforced in the form of proposed amendment, through issuing administrative orders by the Department from time to time, in accordance with the EODB initiatives towards reducing compliance burden. The remaining 12 compliances are newly proposed for further reduction of compliance burden.

2. The Director of Factories, Andhra Pradesh, Vijayawada has therefore furnished a proposal to amend certain provisions of the Andhra Pradesh Factories Rules, 1950 as a part of the initiative towards minimising the Regulatory Compliance burden for issuing the preliminary notification.

3. After careful examination of the request of the Director of Factories, Andhra Pradesh, Vijayawada, the Government of Andhra Pradesh have decided to update the Rules duly considering the technological advantages into administration of provisions of the these Rules and also to reduce the unwanted burdensome compliances.

4. The following Preliminary Notification will be published in the Andhra Pradesh Gazette;

NOTIFICATION

In exercise of the powers conferred under Section 112 of the Factories Act, 1948(Act No. 63 of 1948), it is proposed to make the following amendments to the Andhra Pradesh Factories Rules, 1950. Information to all the persons likely to be affected is hereby given as required in terms of Sub-section (1) of Section 115 of the said Act for implementation of Ease of Doing Business in the State of Andhra Pradesh.

2. Notice is hereby given that any objections or suggestions, in respect of the amendments as proposed, which may be received within the period of

45 days from the date of publication of this notification in the Andhra Pradesh Gazette, will be considered by the Government of Andhra Pradesh.

3. Objections or suggestions should be addressed to the Director of Factories, Andhra Pradesh, Vijayawada through the mail address: csvarma.dantuluri@ap.gov.in.

AMENDMENTS

In the said rules;

1. **In Rule 3,**

1. for sub-rule (1), in Clause(b), for the words "**75 HP or more**", the words "**more than 30HP**" shall be substituted;
2. for sub-rule(2), for the words "**by delivery in person or by registered post, an application in Form No. 1 together with particulars and plans in triplicate and the original challan for the scrutiny fee at the following rates:**-", the words "**an application ONLINE through Single Desk Portal or any other Online Portal as may be notified by the State Government from time to time, together with particulars, plans and Scrutiny fee paid online at the following rates:-"** shall be substituted.
3. for sub-rule (5), for the words" **thirty days from the date on which the application has been delivered in person or sent by registered post",** the words" **Seven days from the date on which the application has been made ONLINE through Single Desk Portal or any other Online Portal as may be notified by the State Government from time to time"** shall be substituted**.**
4. The sub-rule (6) shall be omitted.
5. For sub-rule (8), the following shall be substituted, namely,-

"In the case of any factory not covered by sub-rule (1) of this rule, the Government or the Chief Inspector may, having regard to any special circumstances in any particular existing or proposed factory, by order, require the owner or occupier to submit the particulars and plans of the factory through online Single desk portal or any other portal as may be notified by Government from time to time, within thirty days of the service of the order."

2. **In Rule 4,**

1. For the sub-rule (1), the following shall be substituted, namely,-

"The occupier of every factory shall, before commencing any manufacturing process in any factory, apply to the Inspector ONLINE through Single Desk Portal or any other Online Portal as may be notified by the State Government from time to time, for the registration of the factory and the grant of a license in the form as prescribed in the Single Desk Portal or any other online Portalasmay be notified by the State Government from time to time, along with the annual license fee as prescribed in the schedule to Rule 6 which is to be paid ONLINE for each calendar year or up to **ten** times the Annual License Fee prescribed in the said Schedule in case, the occupier prefers to pay for a block period of not more than **ten** calendar years at a time"

2. The Clause(a) of sub-rule (2) shall be omitted.
3. for sub-rule (3), for the words ”thirty days from the date on which the occupier has sent intimation under sub-rule 2(a), the license shall be deemed to have been granted and thereupon the license shall be issued forthwith.” the words “**Seven days from the date on which the application has been received ONLINE through Single Desk Portal or any other Online Portal as may be notified by the State Government from time to time, the license shall be deemed to have been granted**.” shall be substituted.

3. In Rule 5, for sub-rule(1), the following shall be substituted, namely,-

“The occupier or the owner of a factory shall, within fifteen days of the occurrence of any change of name, or in the particulars of the maximum horse power installed or maximum number of persons employed, send to the Inspector an application online through Single Desk Portal or any other Online Portal as notified by the State Government from time to time for the amendment of the original license stating the nature of the amendment to be made and the reasons therefore together with the prescribed fee paid online.”

4. **In Rule 6,** for sub-rule (1), for the word “Three”, the word “Ten” shall be substituted.
5. **In Rule 8,** the following shall be substituted, namely,-

”A license may be transferred from one occupier to another consequent to any transfer of the factory and both transferor and the transferee shall inform the details of the transfer followed by an online application by the transferee to the Inspector concerned along with Transfer Fee of Rs. 50/- (Rupees Fifty only). The mere submission of such application shall be deemed to be the endorsement of transfer until the transfer is formally endorsed by the Inspector, unless the application has been refused by a speaking order in writing within a period of seven days from the date of applying through single desk portal or any other online portal as may be notified by the State Government from time to time”

6. **In Rule 10,** after the existing Rule, the following proviso shall be added, namely, –

“Provided that if the said license lost or destroyed is initially granted under these rules through online portal, a duplicate may be downloaded ONLINE through Single Desk Portal or any other Online Portal as notified by the State Government from time to time.”

7. **In Rule 13,**

1. for sub-rule(1), for clause(a), the following shall be substituted, namely, –

“(i) to photograph any worker, to inspect, examine, measure, copy, photograph, sketch or test, as the case may be, any building or room, any plant, machinery, appliance or apparatus, any register or document or anything provided for the purpose of securing the health, safety or welfare of the workers employed only in factories which are allotted online by Central Inspection Portal for regular inspection or

Joint Inspection in accordance with procedure laid therein or in factories wherein investigation of accidents and dangerous occurrences is to be carried on or other factories, with the prior sanction of the Chief Inspector of Factories, wherein conducting the inspections are deemed appropriate by the Chief Inspector of Factories having regard to any special circumstances.

(ii) An Inspector, who inspects a factory allotted by Central Inspection Portal for regular inspection, shall upload the inspection observations in the Central Inspection Portal within 48 hours from the time of completion of the inspection. The inspection shall be, as far as reasonably practicable, limited to the checklist made available in Central Inspection Portal.

(iii) No Inspector shall inspect any factory, for which a valid Self certification of compliance or Third party certification of compliance is admitted in accordance with a scheme notified by the State Government from time to time and is in force, unless otherwise ordered by Chief Inspector of factories in this regard."

(ii for sub-rule(1), in Clause(b), in continuation to the existing rule, the following words shall be added, namely-

"only in the factories for which the prior permission is accorded by the Chief Inspector of Factories for carrying on such examinations."

8. **In Rule 37,** for sub-rules(1) and (2), the following shall be substituted, namely,-

"The Drinking Water supply shall be only from a source, certified for its fitness for human consumption by any of the NABL accredited laboratories.

Provided that this requirement shall not apply to any source the water therein is filtered and treated to the satisfaction of the Health Officer before it is supplied for consumption."

9. **In Rule 61J,** for sub-rule(4), for the words" **Form.No.8C**", the words "**Form.No.5**" shall be substituted.
10. **In Rule 61(SG)A,** for sub-rule(1), in clause(a), for the words"**100 or more**", the words"**500 or more**" shall be substituted.
11. **In Rule 69,** for sub-rule(2), the following shall be substituted, namely,-

"The accounts pertaining to income and expenditure of the canteen shall be placed before the canteen managing committee once in every 12 months. The canteen managing committee shall inspect the records in detail with respect to satisfying the requirement of "Charging No Profit price" for the food/Beverages supplied to the workers. The findings shall be recorded in the minutes of meeting of canteen managing committee. Any Discrepancy if noticed by the canteen managing committee shall be immediately brought to the notice of Chief Inspector of Factories under intimation to Occupier and Manager. The decision of Chief Inspector of Factories shall be final in this regard."

12. **In Rule 70,**

1. for the sub-rule (2), the following shall be substituted, namely,–

"The canteen managing committee shall consist of an equal number of management representatives nominated by the Occupier and worker's representatives nominated by the recognized union, while ensuring one representative from each Department in the factory. In case, if no union is recognized by the time of constitution of canteen managing committee, the workers representatives shall be nominated by the Occupier."

2. for the sub-rule (5), the following shall be substituted, namely, –

"A canteen managing committee shall be deemed to be dissolved by the expiry of 2 years tenure from the date of its constitution/ Reconstitution. The reconstitution of the next Canteen Managing Committee shall be done accordingly in advance so as to ensure the continuity without a break between tenures of two successive committees."

13. **In rule 76-B,**

1. for sub-rule(3), the Clause(i) and clause(ii) shall be omitted.
2. In sub-rule(4), in Clause(i), the following words shall be omitted, namely,–

"and shall be fixed in a scale of pay which shall not be less than,-

(a) Rs. 4400-8700-Revised Scale of 1993 (Plus such allowances as applicable to similar pay scale) obtaining in the concerned factory/ establishment in the case of Chief Welfare Officer; and

(b) Rs.3110-6380-Revised scale of 1993 (Plus such allowances as applicable to similar pay scale) obtaining in the concerned factory/ establishment in the case of Welfare Officer."

14. **In Rule 77,** the sub-rule(2) shall be omitted.
15. **The Rule 86** shall be omitted.
16. **In Rule 95,** In Schedule-XIII, in para 14-A, the clause (2) shall be substituted with the following, namely,-

"Every worker employed in the said processes involving raw cashew roasting shall be re-examined by a Certifying surgeon at least once in every three calendar months. Factories where raw cashew roasting is not involved, the workers shall be re-examined once in every12 calendar months."

17. **For Rule 100,** the following shall be substituted, namely, –

"The manager of every factory shall submit Integrated Annual Return ONLINE through Single Desk Portal or any other Online Portal as may be notified by the State Government from time to time to the Inspector having jurisdiction over the area where the factory is

located on or before 30th April of the year subsequent to that to which the return relates."

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G.ANANTHA RAMU
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To
The Commissioner of Printing and Stationary, Vijayawada for publication in the Andhra Pradesh Gazette.
The Director of Factories, Andhra Pradesh, Vijayawada.
Copy to:
The P.S. to Hon'ble Minister (LFB&IMS).
The P.S. to Principal Secretary to Government, LFB&IMS Department.
The P.S. to Special Chief Secretary to Government, Industries and Commerce Department.
The Director of Industries, Andhra Pradesh, Vijayawada.
The Law (B) Department.
SF/SC.

//Forwarded::By Order//

Section Officer